

**197—12.1(534) General authority—definitions.**

**12.1(1)** An association may, subject to Iowa Code chapter 534 and these rules, loan money, extend credit, discount, purchase or finance vendors' or vendees' interest in real estate contracts and discount or purchase other evidence of indebtedness and agreements for the payment of money.

**12.1(2)** Real estate loans may be secured or unsecured. If secured the association may hold a first or junior mortgage on the security property.

**12.1(3)** "*Association*" shall mean that as defined in Iowa Code chapter 534.

**12.1(4)** "*Superintendent*" shall mean that as defined in Iowa Code chapter 534.

**12.1(5)** "*First mortgage loan*" shall mean any loan secured by a first mortgage on real property. The loan may be granted to purchase real property, to refinance a contract of sale, to refinance a prior loan, to construct improvements on real property and to assume a prior loan. For the purposes of these rules, a first mortgage loan may include a loan on a leasehold interest, if the leasehold interest extends or is automatically renewable at the option of the holder, or at the option of the association, for a period of time at least ten years beyond the maturity of the loan.

**12.1(6)** "*Home loan*" shall mean a first mortgage loan secured by an owner-occupied, one- or two-family dwelling.